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POLICY RESEARCH NOTES

PUBLISHED BY THE N.C. PUBLIC POLICY TASK FORCE AND ECONOMIC RESEARCH SERVICE, USDA

Number 4

August 1977

*For professionals in Public Agricultural and Food Price and Income Policy Research,
Teaching, Extension, Policymaking*

INTRODUCTION

This newsletter is distributed to enhance and encourage communication among professional workers in policy research and policymaking. Its objective is to contribute to improved policy research in the agricultural and food area. Requests for copies of the earlier issues of these *Notes* or for the *Policy Workers List*, and comments or suggestions about them may be sent to either address listed below.

Contents of this issue:

Announcements of Policy Activities
Commentary: Background of 1977 Food and Agriculture Legislation
News Items
Research Publications Available

ANNOUNCEMENTS

Political Scientists Focus Upon Agricultural Policy

Political scientists seeking increased research commitment to agricultural and food policy met at an Agricultural Policy Symposium held July 25 and 26, at the

Policy Research Notes is a cooperative effort of the North Central Regional Public Policy Research Task Force and the Agricultural Policy Analysis Program Area, Commodity Economics Division, ERS. The *Notes* are prepared by R. G. F. Spitze, Task Force Chairman, 305 Mumford Hall, Univ. of Illinois, Urbana IL 61801, and Program Leader, APA/CED/ERS, 500 12th Street S.W., Washington, D.C. 20250.

Capitol Hilton Hotel in Washington, D.C. Don Hadwiger, Conference Coordinator, reports that 100 proposals were received, from which 17 papers were commissioned for the meeting and subsequent publication. Most of the papers were by political scientists and most of the commentators were agricultural economists. The topics included food diplomacy, emerging decision structures in Congress and the Executive Branch, new participants, and the political milieu of state and national policies. Papers and discussions were of extremely high quality, with general agreement that the conference provided an excellent opportunity for exchange of ideas. Sponsors were: The Policy Studies Organization, Farm Foundation, and APA/ERS/USDA.

NPPEC Conference

Program plans are being finalized for the 27th Annual National Public Policy Education Conference to be held in the Inn at Otter Crest, Otter Rock, on the Oregon Coast, September 11-15, 1977. This conference is focused on Extension and Public Service Programs but is of interest to all policy workers. It is sponsored by the regional extension committees, Extension Service-USDA, and the Farm Foundation. J. B. Wyckoff, Oregon State University, is the current chairman.

Topics for discussion this year include: *"The Federal Policy Process;" "Farm and Food Legislation;" "U.S. Energy Policy and Alternatives;" "U.S. Trade, Aid, and Development Policies;"* and *"Agent Training in Public Policy."* Further information is forthcoming to State Cooperative Extension Directors and Extension Policy Specialists.

Education Trade Policy Materials Project Launched

Extension Service-USDA has provided special project funds to the Agricultural Extension Service, University of Minnesota, for the development of extension education materials in agricultural trade and trade policy. The project, to extend over three years, will develop publications and visual materials dealing with public policy issues in the trade area.

Martin Christiansen, Extension Economist in Agricultural Policy, Department of Agricultural and Applied Economics, is coordinator of the project. A steering committee of extension public policy and trade specialists to guide the project include

M. K. Christiansen, N. A. Dorow, N. W. Engel, H. D. Guither, H. H. Hadley, R. J. Hildreth, J. P. Houck, B. F. Jones, A. F. McCalla, B. H. Robinson, G. D. Rose, W. F. Woods, and J. B. Wyckoff.

Agricultural and Rural Data--Focus of Workshop

A workshop entitled "Agricultural and Rural Data: Improvement of Concept and Operation," sponsored by the AAEA Economic Statistics Committee and AMS, ERS, and SRS, of the USDA, was held in Washington, D.C., May 4-6, 1977, for invited participants from throughout the country.

Prepared papers were made available to participants prior to the Conference to maximize the critique of analyses and proposals relative to data needs and improvements. The program focused on two areas: (A) Data Needs Relative to Agricultural Prices and Measurement of Productive Capacity and (B) Data Needs Relative to Farm and Rural Well-Being and Employment.

The planning committee was Luther Tweeten, Oklahoma State University; Bill Kibler, SRS, USDA; and Gaylord Worden, OMB (formerly ERS, USDA). Workshop papers, to be available in September, may be ordered from Bill Kibler (Series A) and from Ed ReinseI (ERS, USDA--Series B). Proceedings will also be summarized in a symposium at the AAEA Annual Meeting in San Diego.

Great Plains Policy Workshop Proceedings

The Great Plains Council has just published the *Proceedings of the Farm and Food Policy Symposium*, sponsored by its GPC-5 technical committee this past February in Kansas City. Policy issues discussed included instability, equity, cost-of-production based pricing, resource conservation, and trade. Single copies and information about quantity orders may be obtained from Wendell Holmes, 205 Filley Hall, E. Campus, University of Nebraska, Lincoln, NE 68583.

International Food Policy Issues Conference

Over 250 invited participants from both public and private agencies of the United States and from abroad recently received an update on the international dimension of agricultural and food policy issues and the alternatives facing policy

makers. Participants included widely recognized authorities from universities, research institutes, private foundations, and international organizations. Featured topics were: Role of Public Policy and International Food Issues, Relationship Between Domestic and International Food Policies; Food Gap and National Self-Sufficiency; Food Aid and Malnutrition; Relationship Between Trade and Food Security; Agricultural Trade, Preference and Trade Agreements; and International Food Security. Sponsored by ERS, USDA, the Conference was held in Washington, D.C., April 28-29, 1977.

The planning committee consisted of Howard Hjort, Director of Economics, Policy Analysis, and Budget; Kenneth Farrell, Deputy Administrator, Economic Research Service; and Joseph Willett, Director, Foreign Demand and Competition Division, ERS.

A Proceedings of the Conference will be available soon and may be obtained by contacting Sharon Webster, USDA/ERS/FDCD, Room 310, 500 12th Street S.W., Washington, D.C. 20250.

Commentary

BACKGROUND OF 1977 FOOD AND AGRICULTURE LEGISLATION

(by C. W. Davison and T. A. Stucker)

Language for the *Food and Agricultural Act of 1977* has at the date of this writing, been agreed upon by House-Senate Conferees. The bill is scheduled to be voted on by both Houses when the members return in September. The 1977 Act was developed over a period of eight months and in the midst of an intriguing political debate. The need for new legislation was never really an issue: The Agriculture and Consumer Protection Act of 1973 was due to expire this year, and as a result of increased farm production costs and declining farm product prices farm income had been falling steadily since 1974. Farm interests were undoubtedly more keenly aware of the existence of and need for federal farm programs this year than any in the recent past. Add to this setting the spokesmen for a newly elected Administration committed to constraining the growth of the federal budget and several key members of Congress with responsibility for safeguarding the economic well-being of their special-interest constituents, and you have duplicated the environment which will very shortly determine the direction of food policy through 1981.

Need for New Legislation

New legislation is needed this year for several reasons. If none is adopted, current programs will expire and we will revert to basic legislation. Since the permanent legislation was developed over 20 years ago its applicability to the current economic situation is doubtful. A simple extension of the 1973 Act is also undesirable for much the same reason. The farm and world food situations have changed significantly since 1972 when that legislation was developed. The 1973 Act would no longer provide adequate farm income protection, as it was formulated in a period of much lower farm input and product prices. Also, the allotment system to which target prices are tied is based on farm operations of the 1950's, hardly an accurate or equitable basis for income supports in the 1970's and 1980's. Relatively unconstrained by programs, production patterns have shifted significantly in the period since 1972. Participants in the agricultural policy process in the legislative and the executive branches have focused their attention on proposals to alleviate these and other problems in U.S. agricultural programs.

Senate staff members of the Committee on Agriculture, Nutrition, and Forestry began in late 1976 to design prototypes of the new agricultural legislation to be introduced in the 95th Congress early in 1977. Planning for the new farm act was not limited to the Senate, however, as evidenced by a bill introduced in the House early in January, followed by two bills introduced in the Senate. These bills plus other major legislative proposals and developments of the first 8 months of 1977 are chronicled as follows.

January

H.R. 33

Congressman Neal Smith (D-Iowa) introduced a bill in the House of Representatives on January 4 to extend the Act of 1973 through the 1981 crop year, modified to revise the loan levels and grain reserve authorization beginning with the 1977 crop. His bill would have set loan levels for feed grains, wheat, cotton, and soybeans at not

less than 80 percent, nor more than 90 percent, of a 3-year average of farm market prices. The Commodity Credit Corporation (CCC) could sell acquired stocks only at prices that were at least 150 percent of the 3-year average market price. Reserves of up to 300 million bushels of wheat, 25 million tons of feed grains, and 100 million bushels of soybeans would have been authorized. Provisions for other programs under the 1973 Act would have been extended unchanged.

S. 203

Senator Henry Bellmon (R-Oklahoma) introduced a bill on January 12 to extend farm legislation through the 1981 crop. His bill would have raised the payment limitation to \$30,000 from the current \$20,000 limit and adjusted dairy price supports quarterly while maintaining the support at 80 percent of parity rather than the present 75 percent of parity. Target prices and loan rates would be increased for the 1978 crop and adjusted annually thereafter to reflect changes in production costs. Producers could place commodities in loan for periods up to 5 years, and the government would pay 50 percent of the storage costs. A loan rate for soybeans would be established for the 4-year period. The government would establish an emergency food reserve and could acquire up to 100 million bushels of grain to process for the reserve.

S. 275

The Senate Agriculture, Nutrition, and Forestry Committee was the leader in developing a proposal for new agricultural and food legislation. The committee called for recommendations from organizations and individuals, and published these in a committee print *"Farm and Food Policy 1977."* A bill was then drafted by the Committee staff in late 1976 and early 1977.

Senator Herman Talmadge (D-Georgia), Chairman of this Senate Committee, and Senator Robert Dole (R-Kansas) the ranking minority member of the committee, introduced the original version of S. 275, a comprehensive bill to extend and revise farm programs, on January 18. The bill would extend target prices and loan rates through the 1982 crop, but tied the supports to cost of production which includes charges for

direct, overhead, management, and land costs. The land charge is based on an allocation of share rent, cash rent, and average acquisition values. Yields used to calculate per-unit costs for wheat, corn, and cotton would be the most recent 5-year average. Loan levels would be set at not less than 75 percent of the cost of production; target prices, equal to 100 percent of the cost of production.

Provisions under the 1973 Act and current programs which would have been extended five years without change included wool, rice, milk marketing orders, the \$20,000 payment limitation, authority to make dairy products available to veterans hospitals and the military, authority for indemnity payments to dairy farmers and beekeepers for losses due to pesticides, and authority for the purchase and donation of agricultural commodities with appropriate funds. Other programs which would be extended for five years with some changes are P.L. 480, food stamps, and disaster payments.

February

During the second month of the 95th Congress two more bills were introduced addressing major farm programs. The first, H.R. 3574, would have been effective for the 1978-1982 crops. The second, S. 746, was aimed at improving supports for 1977 crops only.

H.R. 3574

Congressman Tom Harkin (D-Iowa) introduced a bill on February 16 to replace the current Act, which expires at the end of the 1977 crop year. Extending through 1982, his bill would have eliminated target prices and based supports on non-recourse loans set between 80 and 110 percent of the cost of production (land valued on a composite of cash rent, share rent, and average acquisition value) for wheat, feed grains, cotton, and soybeans.

Producers would have been limited to \$100,000 in loans annually, and the Secretary of Agriculture could demand repayment of loans whenever market prices exceed 140 percent of the cost of production. The Secretary would have had the authority to extend loans after the first year for 5 additional years, and USDA would pay storage and interest costs for those years. Dairy price supports would have been

increased to not less than 85 percent of parity and adjusted quarterly. Current crop allotments and bases would have been replaced with allotments based on the average acreage planted for harvest on the farm during the preceeding 2 crop years. The bill would have extended most of the commodity, indemnity, and food aid programs of the 1973 Act plus the Rice Production Act of 1975.

S. 746

Senator George McGovern (D-S. Dakota) introduced a bill on February 21 to provide emergency price and income protection to farmers for the 1977 crops. The bill would have set target prices at the full cost of production (with land at current value) and loan levels at 85 percent of the cost of production. The \$20,000 payment limitation would have been raised to \$30,000, and dairy price supports increased to a minimum of 90 percent of parity and adjusted quarterly. Wool and mohair would also have been supported at not less than 90 percent of parity.

March-April

Both the House and the Senate held hearings on the farm program legislation during the latter part of February and the first part of March. On March 23 and 24 the Administration presented its proposals for the forthcoming legislation to the Congress. Considerable debate over crop price and income support levels ensued, and on April 19 the Administration increased its income support (target price) proposals in order to gain stronger legislative backing. The President also suggested that he might veto any bill that exceeded the cost of the revised proposal by "any unreasonable" amount. By the end of April specific target price and accompanying loan level proposals for 1978 were as follows.

Target Prices and Minimum Loan Levels for 1978 Crops

	:		:	Administration's proposal				
	:	S. 203	:	S. 275	:	March	:	April
<hr/>								
Target prices								
Wheat (\$/bu.)		3.10		2.91		2.60		2.90
Corn (\$/bu.)		2.25		2.28		1.75		2.00
Cotton (Cents/lb.)		48		51.1		47.5		50
Loan levels								
Wheat (\$/bu.)		2.25		2.18		2.25		2.25
Corn (\$/bu.)		1.87		1.71		1.00		1.00
Cotton (Cents/lb.)		38		38.33		51		51

May-June-July

Both the House and the Senate agriculture committees worked to meet the May 15 deadline (for completing action on the 1st budget resolution, set by the Congressional budget process) for reporting their respective versions of the new farm bill. Containing higher support levels than the Administration's proposal, the Senate agriculture committee's bill was substituted for the original text of S. 275, and was passed by the full Senate on May 24. The House Bill, H.R. 7171, had been reported by the Committee with only general provisions for the food stamp program. Details for this program were developed in June, introduced as H.R. 7940, and added to H.R. 7171 as an amendment in July. Brief summaries of the provisions in the Administration's position, and the House and Senate Bills as of the end of July are as follows.

Administration Proposal

Duration: The life of the law would be four years, for the 1978-1981 crops.

Payment limitations: Government payments would be limited to \$27,000 per person under one or more of the annual programs for wheat, corn, sorghum, barley, rice, upland and ELS cotton.

Income support levels: Initial levels for 1978 wheat, corn, upland cotton, and rice crops would be set equal to the two-year average of cost of production plus a return to management and a return to land of 3.5 percent of current price. Adjustment in subsequent years would reflect changes in the two-year average production costs

excluding management and land charges. Projected 1978 levels are:

Wheat	\$2.90 per bushel
Corn	2.00 per bushel
Upland cotton	.50 per pound
Rice	7.20 per hundredweight

Loan levels: Minimum levels, set for 1978-1981 with Secretarial discretion for increases, are:

Wheat	\$2.25 per bushel
Corn	2.00 per bushel
Upland cotton	The lower of 85% of preceding 4-year spot market price or 90% of the Liverpool price in early October
Rice	6.19 per hundredweight
Soybeans	Set in relation to corn

Grain reserves: Producer-held reserves for domestic and international purposes could be established under provisions of basic legislation.

Allotments: The present system of acreage allotments for wheat, feed grains, rice, ELS and upland cotton would be replaced with a new system based on current year's plantings. Deficiency payments could be made on a fraction (not more than 100 percent) of the acreage currently planted for harvest.

Rice: Allotments and income support rates for this program would be determined by the same procedures used for the other grains.

Peanuts: The present program would be extended, but with a minimum national poundage quota of 1.68 million tons for 1978, declining to 1.44 million tons in 1981. A minimum loan of \$420 per ton would apply to peanuts included in the national quota in 1978-1981 (an original proposal was \$390 per ton in 1978 decreasing to \$345 in 1981); the loan rate for other peanuts would be set by the Secretary.

Dairy: Authority for seasonal incentive plans would be extended but not for Class I Base Plans. The present indemnity program would be extended and a minimum price support at 80 percent of parity with semiannual adjustments would be acceptable.

Wool: The program would be extended for four years with the price support level between \$.75 and \$1.00 per pound, set at the discretion of the Secretary. The mohair support price, determined by the Secretary, would be set at an equitable relationship to the shorn wool support.

P.L. 480: The program would be extended with the following modifications: Increase the \$300 per capita GNP proviso to the World Bank's International Development Association poverty criterion (now \$520) for countries eligible for 75 percent of Title I commodities (concessional sales with long term repayment at low interest rates); raise the Title II (donation to underdeveloped nations) fund limit from \$600 to \$750 million a year, and reimburse CCC for price supported commodities at export market prices instead of acquisition costs.

Agricultural research: The efficiency and effectiveness of research programs would be improved within available funding.

Food Stamps: The Administration favored modifications which would make the program available to those who really need it, eliminate the purchase requirement, and hold program costs near current outlays.

S. 275

Duration: The law would be effective five years, for the 1978-1982 crops.

Payment limitations: Government payments would be limited to \$50,000 per person under one or more of the annual programs for wheat, feed grains, upland and ELS cotton, and rice for 1977-1982.

Target price levels: After 1978, target prices would be set at the projected cost of production. Levels for 1977 and 1978 are:

	<u>1977</u>	<u>1978</u>
Wheat	\$2.90	\$3.10 per bushel
Corn	No change	2.28 per bushel
Upland cotton	No change	.511 per pound

Loan levels: Wheat and corn loan floors would be set at 85 percent of cost of production for 1979-1982. Minimum levels for 1978 are:

Wheat	\$2.47 per bushel
Corn	2.00 per bushel
Upland cotton	The lower of 85 percent of preceding 4-year spot market price or 90 percent of the Liverpool price in early October.
Soybeans	4.00 per bushel (1978-1982)

Grain reserves: The Secretary could offer 3-5 year loans to wheat and feed grain producers in times of abundant supplies to create a wheat reserve of 300-700 million bushels (feed grain not specified). Producers redeeming loans before the market price reaches 140-160 percent of current loan rate would repay principal, interest, and storage charges. Loans would be recalled when market prices reach 200 percent of loan rates.

Allotments: The present system of acreage allotments for wheat, feed grains, and upland cotton would be replaced with a new system based on current year's plantings. Deficiency payments, when made, would be on at least 90 percent of acreage planted for harvest.

Rice: Basically the present program would be continued except that producer payments would be made only on that portion of the allotment actually planted to rice.

Peanuts: The present program would be extended, but with a minimum national poundage quota of 1.68 million tons for 1978, declining to 1.44 million tons in 1981 and 1982. A minimum loan of \$420 per ton would apply to peanuts included in the national quota in 1978-1982; the loan rate for other peanuts would be set by the Secretary.

Dairy: Milk marketing order provisions for seasonal incentive and Class I Base Plans would be extended five years. The minimum price support would be 80 percent of parity through March 31, 1979; with quarterly adjustments optional and semiannual adjustments required during that period. The indemnity program would be extended to September 30, 1982.

Wool: The program would be extended for five years with price support level raised to 85 percent of the formula (specified in the National Wool Act of 1954) for 1977, or \$.99 per pound, and to 90 percent for the following five years. Estimates indicate this could put the support at \$1.14 per pound in 1978 and raise it to \$1.47 by 1982.

P.L. 480: The program would be extended for five years with modifications which include raising the Title II (donation to underdeveloped nations) fund limit

from \$600 to \$750 million a year, reimbursing CCC for price supported commodities at export market prices instead of acquisition costs, and requiring an evaluation of P.L. 480 programs within 18 months of enactment of the legislation.

Agricultural research: The bill would establish an advisory board of agricultural research users and a panel of federal, state, and private research groups to aid in developing and coordinating programs. It recommends that food and agricultural research should be funded annually at a minimum of 0.5 percent of food expenditures and agricultural exports.

Food Stamps: The program would be extended two years and the purchase requirement eliminated. Monthly deductions, established for computing household income to determine eligibility, would be allowed as follows:

\$60 for all households,
20 percent of earned income, to compensate for
taxes and work expenses,
up to \$75 for excess shelter expense, and
up to \$85 for care of a dependent.

H.R. 7171

Duration: The bill would be effective four years, for the 1978-1981 crops.

Payment limitations: Government payments would be limited to \$35,000 per person for 1978 crops under one or more of the annual programs for wheat, feed grains, and upland cotton, escalating 10 percent annually to \$46,585 for the 1981 crops.

Target price levels: Wheat and corn targets would be increased after 1978 by changes in production costs (excluding land and management). Cotton targets would be set at 110 percent of loan rate for 1978-1981, but no less than 51.0 cents per pound.

	<u>1977</u>	<u>1978</u>
Wheat	\$2.90	\$3.00 per bushel
Corn	2.00	2.10 per bushel

Loan levels: Minimum levels for 1978-1981 are as follows with one exception: If the season average price received for wheat and corn is not more than 105 percent of the respective loan level, the Secretary shall reduce the loan level as necessary to maintain domestic and export markets for grain.

Wheat	\$2.35 per bushel
Corn	2.00 per bushel
Upland cotton	The lower of 85 percent of preceding 4-year spot market price or 90 percent of the Liverpool price in early October.
Soybeans	Level at the Secretary's discretion

Grain reserves: Wheat and feed grain loans could be extended for 12 months with no interest charge and storage payments of 1 cent per bushel per month by the Secretary for the extension period. A second 12-month extension would be available, but only with the Secretary's consent if the market price is more than 75 percent of parity.

Allotments: The present system of acreage allotments for wheat and feed grains would be replaced with a new system based on plantings in the preceding or current crop year (for set-aside purposes) and acreage harvested in the current crop year (for deficiency payment purposes). Deficiency payments would be made on at least 80 percent of acreage currently harvested. Upland cotton allotments would be based on plantings in the current year (for set-aside and deficiency payment purposes) with a minimum national program acreage of 10 million acres.

Rice: The present program would be continued with the following three exceptions:

- 1) target prices and loan rates would be adjusted on the basis of cost of production, rather than the prices paid index currently used;
- 2) producer payments would be made only on that portion of the allotment actually planted to rice, and
- 3) the current payment limitation of \$55,000 would be reduced 5 percent annually starting in 1978 until it reaches the limit for wheat, feed grains, and cotton (in 1981).

Peanuts: The present program would be extended, but with a minimum national poundage quota of 1.68 million tons for 1978, declining to 1.44 million tons in 1981. A minimum loan of \$420 per ton would apply to peanuts included in the national quota in 1978-1981; the loan rate for non-quota peanuts would be set by the Secretary.

Dairy: Milk marketing order provisions for seasonal incentive and Class I Base Plans would be extended four years. Minimum price support would be 80 percent of parity, with quarterly adjustments optional and semiannual adjustments required through March 31, 1981. The indemnity program would be extended to September 30, 1981.

Wool: Effective January 1, 1977, through December 31, 1981, the price support level would be raised to 85 percent of the formula specified in the National Wool Act of 1954. This would increase the 1977 support from 72 to 99 cents per pound and could raise it to an estimated \$1.32 by 1980.

P.L. 480: The program would be extended for two years with modifications including raising the Title II (donation to underdeveloped nations) fund limit from \$600 to \$750 million a year, and reimbursing CCC for price supported commodities at export market prices instead of acquisition costs.

Agricultural research: The bill would establish a board, council, and committees to plan, recommend, coordinate, and review policies and programs for agricultural research. It would also authorize increased funding for agricultural research, teaching, and extension.

Food Stamps: The program would be extended four years, with expenditure ceilings of \$5.85, \$6.16, \$6.19, and \$6.13 billion for fiscal years 1978 to 1981. The purchase requirement would be eliminated, but work requirements for eligibility strengthened. A pilot program would test the options of issuing cash in lieu of stamps to elderly, blind, and disabled persons. Monthly deductions for determining eligibility are as follows:

- \$60 for all households in the contiguous states
- 20 percent of earned income, for taxes and work expenses
- an excess shelter deduction with annual adjustments commencing in 1978, and
- up to \$75 per month for care of a dependent

August-September

Meeting from August 1 to 5, House and Senate conferees resolved differences in their versions of S. 275, The Food and Agriculture Act of 1977. The conference version of S. 275 will be brought to the House and Senate floors after the Congress

reconvenes in September. If approved by both Houses, it will then go to the President for his signature. Details and discussion of the Act of 1977, if approved by the President, will be forthcoming in the next issue of *Agricultural-Food Policy Review* (ERS, USDA).

POLICY RESEARCH NEWS ITEMS

(projects and activities as submitted)

Economic Analysis of 1977 Farm Legislation

A study by the Congressional Budget Office for the House Budget Committee of the economic provisions and implications of the Senate, House, and Administration Proposals for farm price and income supports.

Request 1977 Farm Legislation: *An Economic Analysis of Congressional and Administration Proposals*, from Jim Vertrees, Congressional Budget Office, House Annex 2, 2nd and D Streets S.W., Washington, D.C. 20515.

Farm Income Support Program Proposal

An analysis of the "target price" concept of farm income support identifying ways in which it impedes adjustment to market signals, and recommendations for a new income support concept--a "target income" objective--to provide farmers with income protection while encouraging adaptation to changing market needs.

Inquire from Robbin S. Johnson, Asst. Vice President, Cargill Inc., P.O. Box 9300, Minneapolis, MN 55440.

Agriculture in an Interdependent World: Canadian and U.S. Perspectives

The Canadian-American Committee has released a report on *Agriculture in an Interdependent World*. The report treats: world hunger and food scarcity, the integrated commodity program of UNCTAD; agriculture in the MTNS in GATT; dealing with the USSR in the world food system; and the relation of these matters to U.S. and Canadian farm, food, and trade policies.

Inquire about the study from T. K. Warley, Dept. of Ag. Econ., Univ. of Guelph, Guelph, Ontario N1G 2W1 or order report from National Planning Association, Washington, D.C. (cost \$4.00).

Investment Requirements for UNCTAD's Integrated Programme for Commodities

Research in progress to determine an estimate of the investment requirements for operating several international buffer stocking schemes.

Inquire from John W. Murray, NEAD/ERS/USDA, Room 245, 500 12th Street S.W., Washington, D.C. 20250.

Impact of U.S. Agricultural Trade Policy on Consumer Prices and Farm Income

This report assesses the impact of U.S. agricultural trade policy, countervailing duties, tariffs, import quotas, export subsidies, and trade restrictions by major exporting countries on U.S. trade and consumers.

Inquire about report and related publication, *Farm and Food Policy--A Fresh Look (revised)* from Truman Graf, 316 Agriculture Hall, University of Wisconsin, Madison, WI 53706.

Grains Policy

Comparison of the performance of the U.S. market-oriented farm policy and the EEC's stabilization-oriented Common Agricultural Policy for their effects on grain farmers' income, grain-related food prices, and world food security. Concludes that the U.S. should pursue a grains trade policy based on reserves, trade liberalization, and an emergency food-financing facility for LDCs.

Inquire from Robbin S. Johnson, Asst. Vice President, Cargill Inc., P.O. Box 9300, Minneapolis, MN 55440.

Program Evaluation Status Reports: Completed Studies

Contains summaries of evaluations of USDA food programs conducted since 1974.

Inquire about studies and request publication from Stephen J. Hiemstra, Director, Economic Analysis Staff, Food and Nutrition Service, USDA, Washington, D.C. 20250.

Inside Access Model for Representation of New Groups in Policy Making

This is a study of agenda-setting at the highest level of government in recent years, suggesting how the inside access model could be applied to provide for direct policy inputs from representatives of nongovernmental groups into food and agricultural policy making.

Inquire about research from Joseph Hajda, Dept. of Political Science, Kansas State Univ., Manhattan, KS 66506.

Economic Implications of Policy Constraints on Pesticide Use in U.S. Agriculture

A mathematical programming model of U.S. agriculture is developed including the ten USDA regions, a nonfarm sector, and a foreign trade sector. This model will be used to assess the impacts of restrictions on pesticide use on agricultural factor employment, cropping patterns, income levels and distribution, and commodity prices.

Inquire about project from Marshall Martin, Dept. of Ag. Econ., Krannert Building, Purdue Univ., West Lafayette, IN 47907.

Antitrust Policy Implications of Regional Dairy Cooperatives

Research focuses attention on technical efficiency gained through area-wide coordination of raw milk movements with implications for industry and antitrust policy concerns.

Inquire about research and related publications from William T. Boehm, NEAD/ERS/USDA, Room 260, 500 12th Street S.W., Washington, D.C. 20250.

Effects of National Policies Upon the Agriculture of a State

To characterize alternative futures for the agriculture of Illinois for the 1980s, alternative agricultural and food policy "packages" and expected economic consequences for the industry and the State are being developed.

Inquire about policy segment from R. G. F. Spitze or H. D. Guither, or about team project from E. R. Swanson, 305 Mumford Hall, Univ. of Illinois, Urbana, IL 61801.

Boll Weevil Eradication: An Analysis of a Proposed Policy Using AGRIMOD

A completed study analyzes the impacts on the U.S. agricultural sector for 1975 to 1990 of a proposed national program to eradicate the boll weevil. The assumption was that the program was technically feasible. The modeling system used to represent the complex role of cotton in U.S. agriculture was based on AGRIMOD, a dynamic simulation model of the U.S. food production system. Conclusions illuminate regional differences in the context of the overall agricultural system, the behavior of which is dominated by rising energy costs.

Inquire about study and request publication by above title (Number PB264506) from Alexander H. Levis, Manager, Policy Analysis Program, Systems Control, Inc., 1801 Page Mill Road, Palo Alto, CA 94304.

Agricultural Food Stocks and Price Stabilization

In this project a theoretical analysis is made of the gains from stabilization which are possible under nonlinearity in supply and demand, with and without distortions which are introduced in international trade. Also considered are an equally general class of stabilization policies.

Request papers entitled, *The Distribution of Welfare Gains from Price Stabilization: An International Perspective* and *Nonoptimality of Price Bands in Price Stabilization Policy* from R. Just, A. Schmitz, and A. Sarris, Department of Agricultural Economics, 207 Giannini Hall, University of California--Berkeley, Berkeley, CA 94720.

Policy Choices and People: Critical Issues for CA Agriculture in the 1980's

A University of California Task Force will produce a report that (1) surveys the forces that shape California agriculture, (2) identifies public policy issues arising out of those forces, and (3) identifies costs, trade-offs, inconsistencies and collision courses inherent in different policy choices. Study teams will address the areas of water, energy, land, labor, biological resources, education, environment, marketing, competition, regulation, and rural development.

Inquire from J. G. Youde or L. T. Wallace, Department of Ag. Economics, Voorhies Hall, Univ. of California, Davis. CA 95616.

International Trade Policy--Survey Teams

The first of three policy survey teams, supported by the Extension Service-USDA, has completed a trip to the Pacific area to gather information for use in education and policy development.

Inquire from J. B. Wyckoff (team leader), 240 Extension Hall, Oregon State University, Corvallis, OR 97331.

Alberta Farmland Tax Relief Study

The purposes of this report are to examine the ways and means of improving the equity of the real property tax on farmland in Alberta and to explore the fiscal, social and administrative implications of recommended adjustments. These adjustments are proposed as a means to a broader end, namely the enhancement of agriculture and rural living as a fundamental component of Alberta society. In short, the proposals are intended to enhance the stability of the family farm.

Inquire from J. E. Wiebe, Room 1101 Agriculture Building, 9718 107 Street,
Edmonton, Alberta T5K 2C8 CANADA,

POLICY RESERACH PUBLICATIONS AVAILABLE

(list as submitted)

AUSTIN, LYNN A., *Beef vs. Wool Production in Australia*, FAER No. 130.

Request from ERS Publications Office, Room 0054 South Building, USDA,
Washington, D.C. 20250.

BREIMYER, HAROLD F., *The 1977 Agricultural Bill: The Basic Issues*, (Dept. of Ag. Econ. paper #1977-10) and *What Has Farm Program History Taught Us?* (Dept. of Ag. Econ. paper #1977-26).

Request papers from author, Dept. of Ag. Econ., University of Missouri-Columbia, Columbia, MO 65201.

BREIMYER, HAROLD F., *Rules, Roles, Economic Reality, and the American Dream* (Dept. of Ag. Econ. paper #1977-22).

Request from author, Dept. of Ag. Econ., University of Missouri-Columbia, Columbia, MO 65201.

BREIMYER, HAROLD F., *Institutional Structure for Orderliness in Cooperative Marketing and Bargaining* (Dept. of Ag. Econ. paper #1977-24) and a Perry Foundation Policy Sem., *In Search of Better Marketing*, Ag. Exp. Sta. Spec. Rpt. 197, 1977.

Request from author, Dept. of Ag. Econ., University of Missouri-Columbia, Columbia, MO 65201.

GREENSHIELDS, BRUCE, *Impact of a Resale Price Increase on Japan's Wheat Imports*, FAER, 128.

Request from ERS Publication Office, Room 0054, South Building, USDA,
Washington, D.C. 20250.

JOHNSON, ROBBIN S., *A Grains Policy and Farm Income Support Program Proposal*.

Request papers from author, Asst. Vice Pres., Cargill Inc., P.O. Box 9300, Minneapolis, MN 55440.

JUST, R., A. SCHMITZ, and A. SARRIS, *Nonoptimality of Price Bands in Price Stabilization Policy and The Distribution of Welfare Gains from Price Stabilization: An International Perspective.*

Request paper from any author, 207 Giannini Hall, University of California, Berkeley, CA 94720.

MARTIN, MARSHALL A., *Cost of Production--The Concept and Some Implications for Its Use in the Determination of Target Prices and Loan Rates*, Agr. Exp. Sta. Bul. 162.

Request report from author, Dept. of Ag. Econ., Krannert Bldg., Purdue University, West Lafayette, IN 47907.

MILLER, ROBERT H., *Alternative Price Support Programs for Tobacco*, January 13, 1977, 20 pp., and *Alternative Price Support Methods for Tobacco*, May 19, 1977, 7 pp.

Request speeches from author, CED, ERS, Room 200, 500 12th Street S.W., Washington, D.C. 20250.

OECD--Agricultural Policy in the United States, OECD Agricultural Policy Reports, Paris 1974, \$3.25. (Similar notes are available for all OECD member countries, EEC and Yugoslavia.)

Recent Developments in United States Agricultural Policies, OECD Agricultural Policy Reports, Paris 1976, \$3.00.

Land Use Policies and Agriculture, Paris 1976, \$4.50.

Review of Agricultural Policies (in OECD countries) General Survey, OECD Agricultural Policy Reports, Paris 1975, \$6.00.

Contact--OECD Publications Center, 1750 Penn Ave., Suite 1207, Washington, D.C. 20006, Telephone 202-298-8755.

SABATINI, OMERO, et al., *Western Europe Agricultural Situation*, FAER 135.

Request from ERS Publications Office, Room 0054 South Building, USDA, Washington, D.C. 20250.

WALTER, ALAN S., *The U.S. Sweetener Industry: Background Information for Sugar Policy Discussions.*

Request this Congressional Budget Office working paper from author USDA/ERS/CED, 500 12th Street S.W., Room 357, Washington, D.C. 20250.

WEST VIRGINIA STATE LAND-USE (MRP) COMMITTEE, *Taxation: A Land Use Issue in West Virginia.*

Request from Anthony Ferrise, Room 1130 Ag. Science Building, West Virginia University, Morgantown, WV 26506.

WILLS, WALTER J., and DONALD W. LYBECKER, *Food Reserves: Tool or Weapon*, Illinois State Academy of Science paper.

Request paper from either author, Agricultural Industries Dept., Southern Illinois Univ., Carbondale, IL 62901.

WYCKOFF, J. B. and MARK ERLANDSON, *Corporate Agriculture in Oregon*, Information Circular 662.

Request from J. B. Wyckoff, 240 Extension Hall, Oregon State University, Corvallis, OR 97331.

